5282325/2021/M-III-INC01

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

MINES & MINERALS - Considering Renewal period of Mining Lease for Manganese Ore over an extent of 13.868 Hectares in Sy.No.124/P of Avagudem Village, Garividi Mandal, Vizianagaram District in favour of M/s. R.B.S.S.D. &F.N.Das as 50 years from 08-03-1968 to 07-03-1988 (20 years) and 07-12-1995 to 06-12-2025 (30 years) duly excluding the gap period of non possession of lease - Orders - Issued.

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INDUSTRIES & COMMERCE (M.III) DEPARTMENT

G.O.Ms.No.83 Date:08.12.2021.

Read the following:

1.G.O.Ms.No.1497, Ind. & Com. Dept., Dt.16.11.1965.
2. G.O.Ms.No.5, Ind. & Com. Dept., Dt.05.01.1978.
3.G.O.Ms.No.255, Ind. & Com. Dept., , Dt.29.07.1993.
4. From the Hon'ble High Court, AP., Orders Dt.30.03.1998 in W.P.No.2162/1997.
5.G.O.Ms.No.219, Ind. & Com.(M.III) Dept., Dt.02.07.1998.
6.G.O.Ms.No.358, Ind. & Com. (M.III) Dept., Dt.16.12.2003.
7. From the Hon'ble Supreme Court Judgment dt.04.04.2016 in W.P.(C) No.114/14 & 194/14.
8. Govt., Letter No.5550/M.III(2)/2017, Dt.25.09.2017.
9. From the Hon'ble High Court, AP., Dt.20.05.2020 in I.A.No.1 of 2020 of W.P.No.8137/2020.
10. From the Under Secretary, Ministry of Mines, GoI, Lr.No.11/17/2020 - M.VI, Dt.30.07.2020.
11. From the DM&G, AP., Lr.No.3579136/D2/2020, Dt.10.08.2021.

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ORDER:-

In the G.O 1st read above, Government have granted Mining Lease for Managanese Ore over an extent of 13.868 Hectares in Sy.No.124/P of Avagudem Village, Garividi Mandal, Vizianagaram District in favour of M/s. R.B.S.S.D. & F.N.Das for a period of 20 years and lease deed was executed on 08-03-1968 and lease was in force up to 07-03-1988.

2. Subsequently, all the Manganese bearing areas in Srikakulam & Vizianagaram Districts were reserved in favour of M/s Steel Authority of India Limited (SAIL) vide G.O. 2nd read above. Hence, the application filed by M/s. R.B.S.S.D. & F.N.Das for grant of 1st renewal could not be processed. M/s. Visakhapatnam Steel Plant vide letter dt.28.03.1991 informed that they have no interest over the subject lease and given consent in favour of the applicant for grant of renewal of lease. Accordingly, 1st renewal of the subject lease was granted by the Government, vide G.O.3rd read above, for a period of 10 years with retrospective effect from 08.03.1988. Renewal lease was executed on 07.12.1995, subject to the conditions specified therein. Thus the lease was in force upto 07.03.1998.

(P.T.O)

3. In pursuance of the directions of the Hon'ble High Court vide Orders 4th read above, Government have issued amendment vide G.O. 5th read above, to effect that 1st Renewal of Mining Lease was granted for a period of 10 years w.e.f. the date of execution of lease deed. Thus, the lease period would be up to 06.12.2005 and another amendment was also issued, vide G.O 6th read above, substituting the period of lease from 10 years to 20 years. As such, the lease was in force up to 06.12.2015, i.e. prior to commencement of the amended MMD&R Act, 2015.

4. In the Letter 8th read above, Government, based on the proposals of the DM&G, AP., have requested the Secy., MoM, GoI, New Delhi to accord prior approval for extension of lease period for 50 years up to 06-12-2025, in the light of directions of the Hon'ble High Court vide orders 4th read above, treating it as a special case, duly exempting the period of 07 years and 273 days from 08-03-1988 to 06-12-1995 during which the lease was not in position of the lease holder by virtue of reservation of the area in favour of M/s. SAIL, as per Section 8A(3) of MMDR Amendment Act, 2015 read with judgment of the Hon'ble Supreme Court, vide order 7th read above

5. In reply, the Under Secy., MoM, GoI, vide Letter 10th read above, has advised the GoAP to take necessary action as per the section 8A(6) of the Mines & Minerals (Development & Regulation) Act, 1957.

6. In his Letter 11th read above, the DM&G, AP., who examined the above issue has stated that the grade of Manganese available in the area is mostly low grade (25% to 35%) and it may not be economically viable for conducting auction for this area. As per the mining plan, the area is having reserves of 8,45,925 MTS approved by IBM. The present lessee dispatched average quantity for the last 6 years is about 2,02,273 MTS per year out of which 90% is low grade and 10% high grade fetching a revenue of only Rs. 3,32,75,992/- towards royalty in addition GST(5%),income tax to the government. State wise Andhra Pradesh account for 4% of total reserves after Orissa 40%, Karnataka 20%, Madhya Pradesh 11%, Maharashtra 8%. In recent times for auctions conducted for mineral blocks of Iron ore and manganese in Orissa state there is lukewarm response. Iron ore is blanket deposit whereas manganese is pocket deposit.

7. The DM&G, has, therefore, requested to consider the renewal period as 50 years from 08-03-1968 to 07-03-1988 (20 years) and 07-12-1995 to 06-12-2025 (30 years), under section 8A(6) of MM(DR) Amendment Act, 2015 keeping in view the instructions issued by the Government of India, Ministry of Mines vide Letter 10th read above, and the Hon'ble High Court vide Orders 9th read above, duly exempting the gap period of non possession of lease i.e., 07 years and 273 days from 08-03-1988 to 06-12-1995 during which the lease was reserved for M/S SAIL.

8. Government, after careful examination of the matter keeping in view the instructions issued by the Government of India, Ministry of Mines in the letter 10th read above, and the said orders issued by the Hon'ble High Court of A.P., and the circumstances reported by the Director of Mines & Geology, A.P., hereby consider the renewal period for Manganese Ore over an extent of 13.868 Hectares in Sy.No.124/P of Avagudem Village, Garividi Mandal, Vizianagaram

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District in favour of M/s. R.B.S.S.D. & F.N.Das as 50 years from 08-03-1968 to 07-03-1988 (20 years) and 07-12-1995 to 06-12-2025 (30 years) under Section 8 A (6) of MM(D&R) Act, 2015, duly excluding the gap period of non possession of lease i.e., 07 years and 273 days from 08-03-1988 to 06-12-1995 during which the area was reserved for M/s SAIL, subject to satisfaction of all other terms and conditions laid down under the MM(D&R) Amendment Act, 2015 and the Rules made thereunder and subject to satisfaction of standing instructions and guidelines issued by the Govt. of India and State Government from time to time.

9. The Director of Mines & Geology, Government of Andhra Pradesh, Vijayawada shall take necessary action accordingly in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT (MINES)

To
The Director of Mines & Geology, AP., Vijayawada.
M/s. R.B.S.S.D. & F.N.Das, Sreeramnagar PO, Garividi Village and Mandal, Vizianagaram District.
Copy to:
The Assistant Director of Mines & Geology, Vizianagaram District.
The District Collector, Vizianagaram district.
The Secretary to Govt. of India, Ministry of Mines, Sastry Bhavan, New Delhi-110001.
The Controller General, Indian Bureau of Mines, Indira Bavan, Civil Lines, Nagpur - 440001.
The Director General, Mines Safety, Dhanbad, Jharkhand.
The Regional Controller of Mines, Koti, Hyderabad.
SF/SC. (Comp. No:1211337)

//FORWARDED : BY ORDER//

SECTION OFFICER